



General Assembly

Amendment

February Session, 2008

LCO No. 5170

SB0027305170SD0

Offered by:

SEN. CRISCO, 17th Dist.

REP. O'CONNOR, 35th Dist.

To: Subst. Senate Bill No. 273

File No. 254

Cal. No. 199

**"AN ACT CONCERNING REGULATION OF THE SECONDARY
MARKET IN PHYSICIAN DISCOUNTS."**

1 After the enacting clause, insert the following and renumber the
2 remaining sections and internal references accordingly:

3 "Section 1. (NEW) (*Effective January 1, 2009*) (a) As used in this
4 section:

5 (1) "Contracting entity" means any entity that contracts directly with
6 a health care provider (A) for the delivery of health care services, or (B)
7 for the selling, leasing, renting, assigning or granting of access to a
8 contract or terms of a contract. For the purposes of this section, a
9 health care provider is not a contracting entity.

10 (2) "Covered entity" means any entity that has not contracted
11 directly with a health care provider but that buys, leases, rents, is
12 assigned or accesses a contract or terms of a contract with a health care
13 provider, that is responsible for (A) the payment or coordination of

14 health care services, or (B) the establishment or extension of health care
15 provider networks.

16 (3) "Health care provider" means any physician, physician group,
17 physician network, independent practice association, physician
18 organization or physician hospital organization.

19 (4) For the purposes of this section, a contracting entity shall not be
20 deemed to have sold, leased, rented, assigned or granted access to a
21 contract or terms of a contract to a covered entity if such contracting
22 entity participates in the administration of the benefit plan responsible
23 for the payment of health care services provided by such plan."

24 In line 1, strike "insurance"

25 In line 2, strike "company or health care center" and insert
26 "contracting entity" in lieu thereof

27 In line 3, after "2009," insert "and that sells, leases, rents, assigns or
28 grants access to such provider's health care services, discounted rates
29 or fees"

30 Strike line 5 in its entirety and insert the following in lieu thereof:
31 "entity may sell, lease, rent, assign or grant access to such provider's"

32 In line 6, after "services" insert ", discounted rates or"

33 In line 6, strike "and to"

34 Strike lines 7 and 8 in their entirety and insert the following in lieu
35 thereof:

36 "(b) Each such contracting entity that sells, leases, rents, assigns or
37 grants access to a provider's health care services, discounted rates or
38 fees shall:"

39 In line 10, before "provider" insert "health care"

40 In line 10, strike "third parties" and insert "covered entities" in lieu

41 thereof

42 Strike line 11 in its entirety and insert the following in lieu thereof:
43 "which such provider's services, discounted rates or fees has been sold,
44 leased, rented, assigned or"

45 In line 12, strike "otherwise"

46 In line 14, before "provider" insert "health care"

47 In line 14, strike "third parties" and insert "covered entities" in lieu
48 thereof

49 Strike line 15 in its entirety and insert the following in lieu thereof:
50 "entity may sell, lease, rent, assign or grant access to such provider's"

51 In line 16, after "services" insert ", discounted rates"

52 Strike lines 17 to 20, inclusive, in their entirety and insert the
53 following in lieu thereof:

54 "(c) Each covered entity shall pay the health care provider's
55 discounted rates or fees in accordance with the terms and conditions
56 set forth in the contract between the contracting entity and such
57 provider."

58 In line 22, after "provisions" insert "with a health care provider"

59 In line 22, strike "third party's" and insert "covered entity's" in lieu
60 thereof

61 In line 23, strike "provider"

62 Strike line 24 in its entirety and insert "contract shall terminate on
63 the date such contracting entity's contract with such provider is" in lieu
64 thereof

65 In line 26, strike "explanation of benefits and"

66 In line 29, before "entity" insert "covered"

67 After line 32, insert the following and renumber sections and
68 internal references accordingly:

69 "(f) On and after January 1, 2009, any contracting entity or covered
70 entity that issues a member identification card shall clearly mark on
71 such card the address of the Internet web site or toll-free telephone
72 number set forth in subdivision (1) of subsection (b) of section 2 of this
73 act."

74 After the last section, add the following and renumber sections and
75 internal references accordingly:

76 "Sec. 501. (NEW) (*Effective January 1, 2009*) Nothing in section 1 or 2
77 of this act shall be construed to apply to any contracting entity that
78 sells, leases, rents, assigns or grants access to a health care provider's
79 health care services, discounted rates or fees to: (1) Any entity under
80 common ownership or control with such contracting entity; (2) any
81 entity providing or receiving administrative services or insurance from
82 such contracting entity or any entity under common ownership or
83 control with such contracting entity; (3) any independent entity
84 operating under the same licensee program and brand as such
85 contracting entity; or (4) any entity providing or receiving
86 administrative services or insurance from an independent entity
87 operating under the same licensee program and brand as such
88 contracting entity.

89 Sec. 502. (NEW) (*Effective January 1, 2009*) The provisions of sections
90 1 and 2 of this act shall not apply to the delivery of health care services
91 solely for the purposes of workers' compensation benefits pursuant to
92 chapter 568 of the general statutes."